

## City of Atlanta Surplus Storage and Management Improvement Project

Under the direction of Mandy Schmitt, Director of Sustainability, and the Office of Enterprise Asset Management (OEAM) Georgia Tech students researched policies regarding the management of the City's fixed assets. The project was initiated through a Georgia Tech class for graduating seniors. After assessing the current policy, an alternative program was found to save the City approximately \$500,000.

Currently, all surplus is accepted into storage and very little is ever utilized. This situation was analyzed using simulation software. The current policy was compared to several alternative policies. The policy with the greatest savings involved the receiving of average to above-average quality items into surplus and allowing 1-2 year old electronics and average to above-average quality furniture to leave surplus (Screen Policy). This policy incurred a savings of \$500,000 per year.

The simulation and policy improvement were a means of conveying the current situation and presenting recommendations for change. In order for the city to experience the savings that were seen in the simulation model, the following recommendations need to be adopted:

- Assess and catalogue all items in surplus
- Advertise current surplus inventory to create awareness which will drive demand
- Adopt the above mentioned Screen Policy for accepting items into surplus and the requesting of items out of surplus

From the end of 2007 to May 2008, Georgia Tech students have been working with OEAM to conduct analysis of the current policy for fixed assets and they presented alternative policies for the management of fixed assets. The simulation was a means of showing the potential savings the city would receive from adopting the Screen Policy. It was also a way to present the importance of managing fixed assets. Currently, steps are being taken to address the above recommendations.